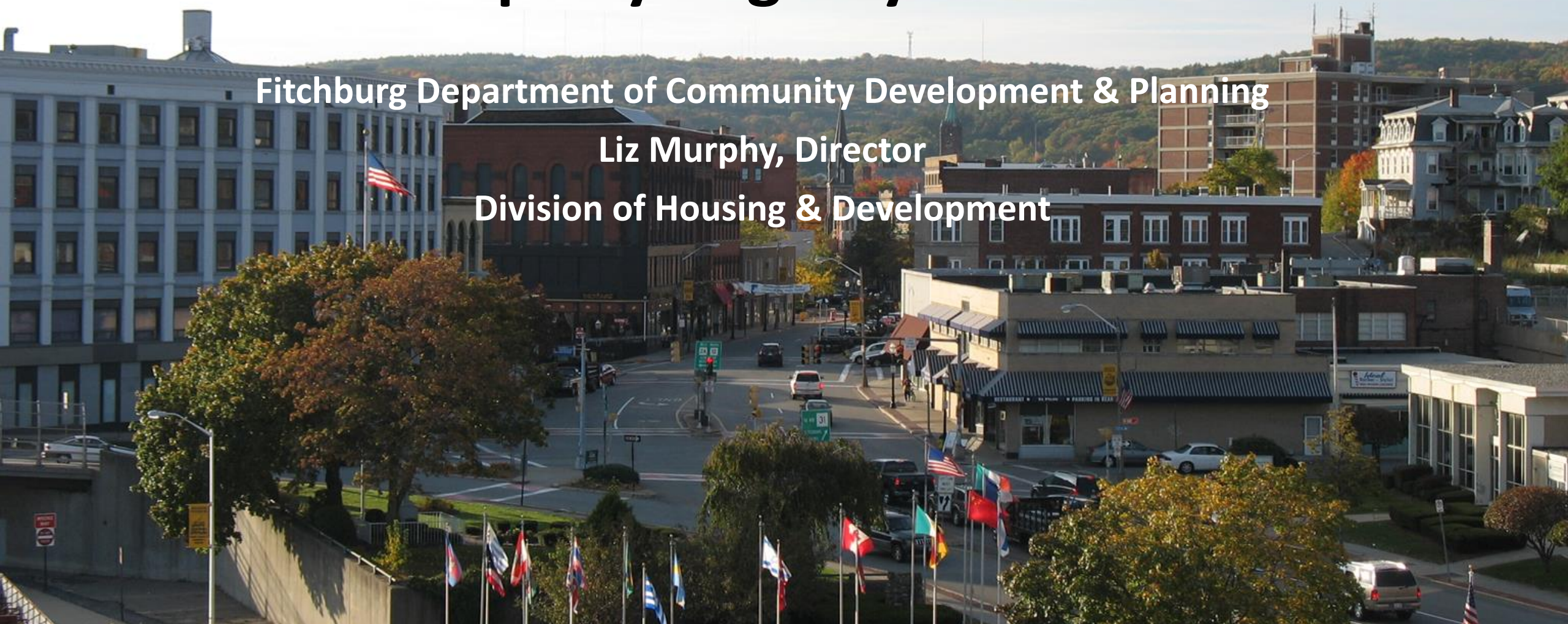


Vacant Property Registry Ordinance

Fitchburg Department of Community Development & Planning

Liz Murphy, Director

Division of Housing & Development



Background

- Vacant property problems in Fitchburg are more complicated today than during the foreclosure crisis:
 - Vacant properties tend to be long-term vacant
 - Not responding to improved housing market conditions
 - Deteriorated and in significant disrepair
 - Source of blight in neighborhoods and commercial areas
 - Privately owned more than bank-owned
 - Resales with no property improvements
 - Primarily multifamily residential, commercial, and industrial
 - Costly to rehabilitate

Proposed Vacant Property Registry Ordinance (VPRO)

- Replaces the existing Board of Health Vacant Property Registry regulation with a City ordinance
- Has some similarity to the existing Board of Health Regulation, but:
 - As an ordinance, can accommodate more flexibility to allow some policy exemptions
 - Provides for an escalating annual registration fee based on duration of vacancy
 - More specific property maintenance standards
 - Administration and enforcement extends beyond public health
 - More/broader tools for enforcement
- Will work well with the proposed adoption of G.L. c. 40U, Municipal Hearing Officer

Background

- MassHousing Neighborhood Hub Program approved City's request for technical assistance to update the Vacant Property Registry Ordinance
- Project Scope:
 - A review of best practices in Massachusetts and beyond
 - Identify options for discouraging long-term vacancy
 - Recommend minimum maintenance standards to avoid added costs of deterioration
 - Consult with residents and other community stakeholders
 - How to connect vacant property with developers, ensuring inclusion of affordable housing in redevelopment
 - Create a revolving acquisition fund to help non-profit developers respond quickly to redevelopment opportunities

What We Learned

- From a national survey and review of 56 VPROs in Massachusetts, we found three “models” of vacant property registration and enforcement:
 - The vacant and abandonment model
 - The foreclosure model
 - The hybrid model

Characteristics of Three Models

- The ***vacant and abandonment model***
 - Requires owners to register after a specific period of vacancy
 - Commonly used in communities with long-term challenges and weak market conditions
 - Often involves escalating fee structure over time
 - Steep fines/fees to discourage long-term vacancy
- The ***foreclosure model*** (Fitchburg's current model)
 - Requires registration on notice of default or intent to foreclose
 - Approach is aimed at encouraging mortgage lenders to maintain property through the foreclosure process
- The ***hybrid model***: most common today; shares characteristics with *both of above*



Community Consultation

- Collected input from staff, City Council, residents, other stakeholders and advocates through focus groups and online surveys
- Out 47 respondents:
 - Overall, broad support for a VPRO (87% of respondents)
 - Two objected to a registry
 - Four wanted more information
 - All three focus group participants supported registry changes

Section-by-Section Overview

1. Purposes and Intent

2. Definitions

- In most cases, similar to defined terms in BOH Regulation
- Provides for Municipal Hearing Officer (**NEW**)

3. Exemptions (**NEW**)

- Vacant property owned or controlled by a non-profit community development corporation, non-profit housing assistance or development organization, MassHousing, or MassDevelopment for purposes of developing or redeveloping affordable housing on the property; or
- Vacant, abandoned, or foreclosed property listed by the Fitchburg OCDP as a priority affordable housing development site.

Section-by-Section Overview (cont'd)

4. Vacant or Abandoned Buildings Determination

Authorizes BOH Director/designee to

- Confirm extent of vacant properties to identify those not currently registered
- Notify owner of record of responsibility to register
- Post the property with a deadline for registration

5. Registration of Vacant or Foreclosing/Foreclosed Residential Properties

- 30 days to register
- Registration with Board of Health (similar to current framework)
- Must identify local contact (no change)
- \$100 registration fee (no change)



Section-by- Section Overview (cont'd)

6. Annual Registration and Fees (anniversary date)
 - \$250: For properties vacant for 1 year or more but less than 2 years.
 - \$2,500: For properties vacant for 2 years or more but less than 3 years.
 - \$3,500: For properties vacant for 3 years or more.

Graduating fee structure is **NEW**.

7. Limited Waiver of Registration Fee (**NEW**)
 - Waiver of registration fees and time limits for vacant residential building due to owner's illness or infirmity, *or*
 - Fire or natural disaster making the property uninhabitable as long as rehabilitation is underway

Section-by- Section Overview (cont'd)

8. Change in Status

- Notification to Health Director if building is sold, becomes occupied, or some other condition changes

9. Annual Billing Statement

- City will send annual bill for re-registration 30 days before anniversary date
- Fee due by anniversary date regardless of whether owner actually receives a bill from the City

Section-by-Section Overview (cont'd)

10. Appeal (Replaces existing appeal to Board of Health)

- Owner may appeal within 15 days of billing statement
- \$100 filing fee for appeal
- Appeal limited to whether the building is vacant or abandoned and for how long
- Owner has the burden of proof on appeal
- Municipal hearing officer to hear the appeal within 30 days of the appeal
- Written decision to following within 30 days of the hearing. The hearing officer's decision shall be final.
- If applicable, registration fee must be paid within 10 days of the hearing officer's decision



Section-by- Section Overview (cont'd)

11. Posting (**NEW**)

- Gives City the option to require owners to post sticker on property, indicating that property is registered

12. Enforcement (**SUBSTANTIALLY OVERHAULED**)

- Penalty for violation increased to \$300 per day, with overall maximum of \$18,000
- Ordinance provides for revolving fund under G.L. c, 44, S. 53E ½
- Enforcement:
 - G.L. c. 40, S. 21D or
 - G.L. c. 40U (**NEW**)

Section-by-Section Overview (cont'd)

13. Maintenance Requirements (**NEW, EXPANDED; MORE SPECIFIC**)

- Compliance with Sanitary Code, Fire Code, Building Code, City Ordinances
- Posting requirement
- Building appurtenances security fastened and maintained
- Building secured from unauthorized entry
- Interior free of trash, flammables, waste, perishables (to avoid attracting rodents and reduce fire hazards)
- Utilities must stay on unless City grants permission to disconnect
- Fire protection systems must remain active and maintained

Section-by-Section Overview (cont'd)

14. Regulatory Authority

- Board of Health may adopt administrative regulations to implement the ordinance

15. Severability

16. Effective Date

- Immediate, but
- No fines for at least 90 days



Questions? Comments?